

STATE OF UTAH

OFFICE OF THE ATTORNEY GENERAL



MARK L. SHURTLEFF
ATTORNEY GENERAL

RAYMOND A. HINTZE
Chief Deputy

Protecting Utah • Protecting You

KIRK TORGENSEN
Chief Deputy

January 4, 2008

**REQUEST BY THE ATTORNEY GENERAL OF THE STATE OF UTAH
FOR PROPOSALS TO SERVE AS BOND COUNSEL OR DISCLOSURE
COUNSEL FOR GENERAL OBLIGATION BONDS TO BE ISSUED BY THE
UTAH STATE BONDING COMMISSION DURING 2008 AND 2009**

**PLEASE NOTE: WRITTEN PROPOSALS MUST BE RECEIVED NO LATER THAN
12:00 P.M. (NOON) ON FRIDAY, JANUARY 18, 2007.**

To the Law Firm(s) or Attorney(s) Addressed:

The Attorney General is requesting proposals from attorneys and firms interested in serving as bond counsel or disclosure counsel for general obligation bonds issued by the Utah State Bonding Commission ("SBC") during calendar years 2008 and 2009, as more fully described below under "Nature of the Appointments."

In response to this request for proposals ("RFP"), the Attorney General will consider proposals from the following: an individual attorney; two or more individual attorneys in association with each other; a law firm; two or more law firms in association with each other; or an individual attorney or two or more attorneys in association with a law firm or more than one law firm. For ease of reference, the term "firm" or "firms" will hereinafter refer to each of these groupings.

OVERVIEW

The Utah State Treasurer ("State Treasurer"), as Secretary of the SBC, has asked the Attorney General to appoint bond counsel and disclosure counsel to assist the SBC with the issuance by the SBC of general obligation bonds. Pursuant to that request, the Attorney General's office has prepared this RFP to enable the Attorney General to appoint bond counsel

and disclosure counsel to serve in those capacities for general obligation bonds issued by the SBC for the period commencing immediately upon appointment and continuing through December 31, 2009.

Before 2005, the State of Utah, its departments, agencies, committees, commissions, boards and similar entities (the State of Utah, its departments, agencies, committees, commissions, boards and similar entities, are sometimes collectively referred to herein as the "State") had issued general obligation bonds at least once in virtually every year for the past several decades. However, in 2005, the General Session of the Utah Legislature chose not to authorize any general obligation bonds, and thus no general obligation bonds were issued in 2005. General obligation bonds were also not issued in 2006, but in 2007 general obligation bonds were issued. Governor Jon M. Huntsman, Jr. has not included a request for any general obligation bond authorization in his budget for Fiscal Year 2009 (July 1, 2008 through June 30, 2009). However, as stated in the Official Statement for the \$75,000,000 State of Utah General Obligation Bonds, Series 2007 ("2007 GO Official Statement"), under "DEBT STRUCTURE OF THE STATE OF UTAH – Legal Borrowing Authority – Authorized General Obligation Bonds and Future General Obligation Bonds Issuance":

As of July 3, 2007, the State has approximately \$1,183,403,000 (\$1,031,005,000 for highway projects from a 2007 authorization; \$111,100,000 for capital projects from a 2006 authorization; \$4,600,000 for capital projects from a 2005 authorization; \$4,300,000 for capital projects from a 2004 authorization; \$26,398,000 for highway projects from a 2003 authorization; and \$6,000,000 for transportation projects from a 2000 authorization) aggregate principal amount of additional authorized and unissued general obligation bonds, the proceeds of which bonds, when issued, will be used by the [Utah Department of Transportation] and [the Division of Facilities Construction and Management of the Utah Department of Administrative Services] for various capital projects.

Based on the State's highway and transportation needs, the State anticipates that it will issue a portion of its authorized and unissued general obligation bonds annually over the next six to eight years.

The SBC anticipates the information in the immediately preceding sentence from the 2007 GO Official Statement is still correct. Thus even if the Legislature in 2008 does not authorize any new general obligation bonds, the SBC expects to issue general obligation bonds authorized by prior Legislatures. **That being said, however, there is no absolute guaranty the SBC will issue any general obligation bonds during calendar years 2008 or 2009.** Therefore, firms submitting proposals, and the firms ultimately appointed as bond counsel and disclosure counsel under this RFP, must understand that the appointment of bond counsel and disclosure counsel by the Attorney General does not in any way guaranty that any bonds will be issued during the two-year period of the firms' appointments.

NATURE OF THE APPOINTMENTS

Except as otherwise noted in this RFP, bond counsel and disclosure counsel appointed under this RFP will serve in those capacities for: (a) any general obligation bonds authorized by the Legislature in calendar years 2008 and 2009, which bonds are actually issued by the SBC during calendar years 2008 or 2009; (b) any general obligation bonds authorized prior to calendar year 2008 which have not yet been issued, but which are issued by the SBC during calendar years 2008 or 2009; and (c) any general obligation bonds issued by the SBC during calendar years 2008 or 2009 to refund or redeem bonds or other debt instruments previously issued by the SBC.

The appointed bond counsel and disclosure counsel will also serve in those capacities for any general obligation bonds issued by the SBC for highway projects, but will not serve in those capacities for the issuance by the State Treasurer of any "bond anticipation note" ("BAN"), as that term is defined in Utah Code Ann. § 63B-8-301. In addition, should the State decide to issue a significant amount of general obligation bonds for highway purposes during 2008 or 2009, the Attorney General reserves the right to appoint bond counsel and disclosure counsel for any such project(s) pursuant to a separate RFP. The determination as to what is a "significant amount" of general obligation bonds for highway purposes, and whether bond counsel and disclosure counsel for any such project(s) should be appointed pursuant to a separate RFP, will be at the sole discretion of the Attorney General, although the Attorney General will consult with appropriate State officials before making such a determination.

If the State decides to issue variable rate demand obligations ("VRDO's"), the appointments of bond counsel and disclosure counsel under this RFP may include serving in those capacities for the issuance of VRDO's, as well. The determination as to whether bond counsel and disclosure counsel appointed under this RFP serve in those capacities for the issuance of VRDO's will be made at the sole discretion of the Attorney General, although the Attorney General will consult with appropriate State officials before making such a determination, and after conferring with bond counsel and disclosure counsel appointed under this RFP. If VRDO's are issued, and bond counsel and disclosure counsel under this RFP are appointed to serve in those capacities for the issuance of VRDO's, the Attorney General will negotiate the fee with bond counsel and disclosure counsel.

The appointments under this RFP do not include services as bond counsel or disclosure counsel for a number of types of debt instruments that may be issued by the State, including, but not limited to: (1) any tax and revenue anticipation notes issued by the State Treasurer; (2) any revenue bonds or lease revenue bonds, or any bonds or other debt instruments (such as certificates of participation, etc.) not issued by the SBC; (3) any bonds or other debt instruments issued by the State Board of Regents, any of the State's colleges or universities, or the Utah Higher Education Assistance Authority; (5) any debt instruments issued by the Utah Housing Finance Agency; or (6) any short term obligations for highway purposes. Should a question arise as to whether the firms appointed under this RFP will serve as bond counsel and disclosure

counsel on a particular bond issue, or whether other firms appointed under a separate RFP will serve in those capacities, the Attorney General alone will make the determination, although the Attorney General will consult with appropriate State officials before making such a determination.

Bond counsel will also be required to provide up to fifty (50) hours of legal advice per calendar year¹ to State officials, including persons in both the executive and legislative branches of government, on bond issues. While the intent is that these services would primarily relate to questions on general obligation bonds, these advisory services could include responding to general inquiries about financing mechanisms other than general obligation bonds. Areas in which such advice may be needed include, but are not limited to, drafting and/or reviewing legislation, and advising on laws and other factors impacting debt issued by the State. Bond counsel will provide this legal advice without charge to the State, except to the extent the firm has built remuneration for these services into the fees the firm will receive if bonds are issued (see paragraph B. below on fees under “**Required Contents of Proposals to Serve as Bond Counsel**”). Such advice shall be rendered when authorized by the State Treasurer or the Attorney General.

In addition, due to the Federal arbitrage laws and the State’s generally conservative approach on debt, if general obligation bonds are authorized by the Legislature during 2008 and 2009, the SBC will likely not issue all at once the entire amount of general obligation bonds authorized for a project if construction of the project is expected to span more than two years.

APPOINTMENT BY ATTORNEY GENERAL

The Attorney General is appointing bond counsel and disclosure counsel under this RFP pursuant to Utah Code Ann. § 67-5-5 (West 2004). The procedures the Attorney General will follow in making the appointment are set forth in Utah Admin. Code Rule R105-1.

TERM OF APPOINTMENT

Bond counsel and disclosure counsel appointed under this RFP will serve in those capacities for general obligation bonds issued by the SBC effective immediately upon appointment, and during calendar years 2008 and 2009. The appointments of bond counsel and disclosure counsel under this RFP terminate at midnight on December 31, 2009. If work must be started during 2009 on general obligation bonds that will be sold (i.e., an underwriter’s bid accepted by the SBC) before January 1, 2010, bond counsel and disclosure counsel appointed under this RFP will serve as bond counsel and disclosure counsel for any such bond issue, even

¹ The the fifty hours of legal advice for calendar year 2009 might actually begin in late 2008, if bond counsel is called upon in late 2008 for advice for general obligation bond matters to be considered by the 2009 General Session of the Legislature.

if the closing takes place after December 31, 2009. If work must be started during 2009 on general obligation bonds that will not be sold (i.e., an underwriter's bid accepted by the SBC) before January 1, 2010, bond counsel and disclosure counsel appointed under this RFP will not serve as bond counsel and disclosure counsel for that bond issue. Rather, the Attorney General will prepare a new RFP, and bond counsel and disclosure counsel appointed under that new RFP will serve in those capacities for the general obligation bonds that will be sold after December 31, 2009. However, the Attorney General reserves the right to extend the appointments of the firms appointed under this RFP (with the consent of the firms appointed) if bond counsel and disclosure counsel for the issuance of general obligation bonds by the SBC have not yet been appointed for the period beginning January 1, 2010, and the determination is made that it would be in the best interests of the State to extend the appointments, and the firms appointed under this RFP agree to extend the appointments.

RESPONSIBILITIES OF BOND COUNSEL

Bond counsel will have the responsibilities, and perform the functions, usually associated with bond counsel in the issuance of general obligation bonds. These services will likely include, but will not be limited to: development of necessary legal documentation; assistance with the issuance and sale of the bonds; issuance of an opinion as to the legality and validity of the bonds; issuance of an opinion regarding the tax-exempt status of the bonds; assisting, in a limited manner, in the preparation and development of an official statement for the bond issues; and attending to the details of the closings and printing of the bonds, as required. Bond counsel will also be expected to attend all meetings associated with the issuance of bonds.

In addition to performing the functions usually associated with bond counsel, bond counsel will provide State officials with up to fifty (50) hours of legal advice on matters related to general obligation bonds, as explained above under "Nature of the Appointments."

REQUIRED CONTENTS OF PROPOSALS TO SERVE AS BOND COUNSEL

Proposals to serve as bond counsel must address the following criteria, which the Attorney General will use to select bond counsel:

- A. The ability of the firm to complete bonding transactions in a timely, professional manner. In evaluating this factor, the Attorney General will consider each of the following:
 - 1. The experience of the firm as bond counsel or disclosure counsel on general obligation bond and revenue bond transactions. (If the firm has recently submitted to us a proposal on another bond or note issue, the firm may refer to and incorporate any parts of that proposal into this proposal, updating information where necessary.)

2. The professional resources available to assist with bond issues, and the names and qualifications of the principal attorney(s) who would be assigned to work on the bond issue. At least one attorney who will participate must be a member in good standing of the Utah State Bar, and at least one attorney must be listed among the attorneys in the "Municipal Bond Attorney's Section" of The Bond Buyers' Municipal Marketplace (the "Red Book"). The proposal must state which attorney(s) would actually be providing most of the services. The firm may associate with other firms or attorneys to provide services as bond counsel, but primary use of local attorneys will be a positive element in evaluating this factor.
 3. The availability of the firm to complete work on the bond issues in a timely and professional manner.
- B. The fee structure and estimated costs for the legal services provided. The proposal must state whether the firm would expect to receive the proposed fee or any part of the proposed fee, or to be reimbursed for costs incurred, in the event bonds are not issued. PREFERENCE WILL BE GIVEN FOR PROPOSED FEES BASED UPON A SET FEE, A FEE SCHEDULE BASED UPON THE DOLLAR AMOUNT OF BONDS ISSUED, HOURLY RATES WITH A CEILING, OR SOME OTHER METHOD BY WHICH THE ISSUER WILL BE ABLE TO ASCERTAIN AT THE OUTSET OF A BOND ISSUE WHAT THE LEGAL FEES FOR BOND COUNSEL WILL BE. The proposal must also state whether there would be a charge for future legal services incidental to the issuance of the bonds, and if so, what type of fee would be charged (e.g., hourly, no charge for first X number of hours, etc.).

In preparing its fee proposal, the firm should assume the following:

1. All bonds will be sold via competitive bid.
2. In addition to performing the functions usually associated with bond counsel, bond counsel will provide State officials with up to fifty (50) hours of legal advice on matters related to general obligation bonds, as explained above under "Nature of Appointments."
3. The 2008 General Session of the Legislature approves the issuance of a certain amount of general obligation bonds for new projects. The SBC then determines that during 2008, in one bond issue, it will issue part of the general obligation bonds authorized prior to 2008 but not issued, and part of the bonds authorized by the 2008 Legislature. Bond counsel performs the services customarily performed by bond counsel to enable the SBC to issue the general obligation bonds. In providing services as

bond counsel for the issuance of these bonds, bond counsel encounters no unusual circumstances which would justify an adjustment in fees.

Bond counsel is consulted by State officials for a total of fifty (50) hours during calendar year 2008 (including consultation with persons in the Legislative branch during the 2008 General Session and special sessions of the Legislature, and consultation with State officials between bond issues).

4. The 2009 General Session of the Legislature approves the issuance of a certain amount of general obligation bonds for new projects. The SBC then determines that during 2009, in one bond issue, it will issue part of the bonds authorized prior to 2008 but not issued, part of the bonds authorized by the 2008 Legislature but not issued, and part of the bonds authorized by the 2009 Legislature. Bond counsel performs the services customarily performed by bond counsel to enable the SBC to issue the general obligation bonds. In providing services as bond counsel for the issuance of these bonds, bond counsel encounters no unusual circumstances which would justify an adjustment in fees.

Bond counsel is consulted by State officials for a total of fifty (50) hours during calendar 2009 (including consultation with persons in the Legislative branch during the 2009 General Session and special sessions of the Legislature, and consultation with State officials between bond issues).

5. For each bond issue, there are no unusual real estate matters or other unusual circumstances which must be considered.

GIVEN THESE ASSUMPTIONS, PLEASE INDICATE WHAT THE FIRM'S FEES AS BOND COUNSEL WOULD BE IN 2008, AND IN 2009 IF THE FIRM'S FEES WOULD DIFFER IN 2009 FROM WHAT THEY WOULD BE IN 2008, FOR BOND ISSUES IN:

- a. \$5 MILLION INCREMENTS FROM \$5 MILLION TO \$50 MILLION;
- b. \$10 MILLION INCREMENTS FROM \$50 MILLION TO \$100 MILLION; AND
- c. \$50 MILLION INCREMENTS FROM \$150 MILLION TO \$500 MILLION.

AS THE FIRM PREPARES ITS PROPOSAL, PLEASE NOTE NO FUNDS ARE AVAILABLE FROM THE STATE, THE ATTORNEY GENERAL'S OFFICE, OR THE SBC, FOR PAYMENT OF FEES OR COSTS IF BONDS

ARE NOT ISSUED, NOR DO ANY OF THESE ENTITIES HAVE FUNDS TO PAY FOR CONSULTATION TIME IF BONDS ARE NOT ISSUED. Therefore, if the firm intends to be compensated for consultation services during the legislative session and between bond issues, the firm's proposal should make provision for compensation for these consultation services within the firm's proposed fee for the issuance of the general obligation bonds. For example, if the firm would ordinarily propose a fee of \$1 for each \$1000 of bonds issued, and believes it should receive \$300 per hour for consultation services, the firm's proposed fee might be "\$15,000 (the \$300 per hour for fifty (50) hours of consultation) plus \$1 per \$1000 of bonds issued". The Attorney General, in consultation with the appropriate State officials, will allow for adjustments in bond counsel fees, if there are other unusual circumstances, and if funds are available from the bond issue(s). If it appears the number of hours of consultation will significantly exceeds fifty (50) hours, the Attorney General will negotiate with the firm as to whether the firm should continue to provide these consultation services, and, if so, what the fee arrangements will be.

Please also indicate any other factors that would affect the firm's proposed fees under the circumstances given above, e.g., "If there is a second or third bond issue during a year, our fees would be adjusted as follows: . . .". Do not indicate factors such as, "If the sale is negotiated, rather than competitively bid, our fee will adjust as follows: . . .," or "If we need to provide more than fifty (50) hours of consultation in a year, our fee will be . . .". If the sale is a negotiated sale, or more than fifty (50) hours of consultation per year are needed, the Attorney General's office will negotiate the fee with bond counsel.

- C. The number of appointments of, and the total fees received by, the firm in the last three (3) years for bonding work (including note projects) on behalf of the State, the State Board of Regents, any of the State's colleges or universities, or the Utah Higher Education Assistance Authority.

RESPONSIBILITIES OF DISCLOSURE COUNSEL

Disclosure counsel will have all responsibilities, and will provide all services, normally associated with disclosure counsel for general obligation bond issues. These responsibilities and services will likely include, but will not be limited to: review of documentation developed by bond counsel and the financial advisor, and development of any additional necessary legal documentation; assistance with the issuance and sale of any debt instruments; issuance of a 10b-5 opinion; assisting in the preparation, development, and review of an official statement for any general obligation bond issue; and performing such other duties as are normally and customarily required of disclosure counsel. Disclosure counsel will also be expected to attend all meetings required of them associated with a bond issue.

REQUIRED CONTENTS OF PROPOSALS TO SERVE AS DISCLOSURE COUNSEL

Proposals must address the following criteria, which the Attorney General will use to select disclosure counsel:

- A. The ability of the firm to complete bonding transactions in a timely, professional manner. In evaluating this factor, the Attorney General will consider each of the following:
 - 1. The experience of the firm as bond counsel or disclosure counsel on general obligation bond and revenue bond transactions. (If the firm has recently submitted to us a proposal on another bond or note issue, the firm may refer to and incorporate any parts of that proposal into this proposal, updating information where necessary.)
 - 2. The professional resources available to assist with bond issues, and the names and qualifications of the principal attorney(s) who would be assigned to work on the bond issue. At least one attorney who will participate must be a member in good standing of the Utah State Bar, and at least one attorney must be listed among the attorneys in the "Municipal Bond Attorney's Section" of The Bond Buyers' Municipal Marketplace (the "Red Book"). The proposal must state which attorney(s) would actually be providing most of the services. The firm may associate with other firms or attorneys to provide services as disclosure counsel, but primary use of local attorneys will be a positive element in evaluating this factor.
 - 3. The availability of the firm to complete work on the bond issues in a timely and professional manner.
- B. The fee structure and estimated costs for the legal services provided. The proposal must state whether the firm would expect to receive the proposed fee or any part of the proposed fee, or to be reimbursed for costs incurred, in the event bonds are not issued. PREFERENCE WILL BE GIVEN FOR PROPOSED FEES BASED UPON A SET FEE, A FEE SCHEDULE BASED UPON THE DOLLAR AMOUNT OF BONDS ISSUED, HOURLY RATES WITH A CEILING, OR SOME OTHER METHOD BY WHICH THE ISSUER WILL BE ABLE TO ASCERTAIN AT THE OUTSET OF A BOND ISSUE WHAT THE LEGAL FEES FOR DISCLOSURE COUNSEL WILL BE. The proposal must also state whether there would be a charge for future legal services incidental to the issuance of the bonds, and if so, what type of

fee would be charged (e.g., hourly, no charge for first X number of hours, etc.).

In preparing its fee proposal, the firm should assume the following:

1. All bonds will be sold via competitive bid.
2. The 2008 General Session of the Legislature approves the issuance of a certain amount of general obligation bonds for new projects. The SBC then determines that during 2008, in one bond issue, it will issue part of the general obligation bonds authorized prior to 2008 but not issued, and part of the bonds authorized by the 2008 Legislature. Disclosure counsel performs the services customarily performed by disclosure counsel to enable the SBC to issue the general obligation bonds. In providing services as disclosure counsel for the issuance of these bonds, disclosure counsel encounters no unusual circumstances which would justify an adjustment in fees.
3. The 2009 General Session of the Legislature approves the issuance of a certain amount of general obligation bonds for new projects. The SBC then determines that during 2009, in one bond issue, it will issue part of the bonds authorized prior to 2008 but not issued, part of the bonds authorized by the 2008 Legislature but not issued, and part of the bonds authorized by the 2009 Legislature. Disclosure counsel performs the services customarily performed by disclosure counsel to enable the SBC to issue the general obligation bonds. In providing services as disclosure counsel for the issuance of these bonds, disclosure counsel encounters no unusual circumstances which would justify an adjustment in fees.

GIVEN THESE ASSUMPTIONS, PLEASE INDICATE WHAT THE FIRM'S FEES AS DISCLOSURE COUNSEL WOULD BE IN 2008, AND IN 2009 IF THE FIRM'S FEES WOULD DIFFER IN 2009 FROM WHAT THEY WOULD BE IN 2008, FOR BOND ISSUES IN:

- a. \$5 MILLION INCREMENTS FROM \$5 MILLION TO \$50 MILLION;
- b. \$10 MILLION INCREMENTS FROM \$50 MILLION TO \$100 MILLION; AND
- c. \$50 MILLION INCREMENTS FROM \$150 MILLION TO \$500 MILLION.

AS THE FIRM PREPARES ITS PROPOSAL, PLEASE NOTE NO FUNDS ARE AVAILABLE FROM THE STATE OF UTAH, THE ATTORNEY GENERAL'S OFFICE, OR THE SBC, FOR PAYMENT OF FEES OR

COSTS IF BONDS ARE NOT ISSUED, NOR DO ANY OF THESE ENTITIES HAVE FUNDS TO PAY FOR CONSULTATION TIME IF BONDS ARE NOT ISSUED. The Attorney General, in consultation with the appropriate State officials, will allow for adjustments in disclosure counsel fees, if there are other unusual circumstances, and if funds are available from the bond issue(s).

Please also indicate any other factors that would affect the firm's proposed fees under the circumstances given above, e.g., "If there is a second or third bond issue during a year, our fees would be adjusted as follows: . . .". Do not indicate factors such as, "If the sale is negotiated, rather than competitively bid, our fee will adjust as follows: . . .". If the sale is a negotiated sale, the Attorney General's office will negotiate the fee with disclosure counsel.

- C. The number of appointments of, and the total fees received by, the firm in the last three (3) years for bonding work (including note projects) on behalf of the State, the State Board of Regents, any of the State's colleges or universities, or the Utah Higher Education Assistance Authority.

OTHER MATTERS FOR CONSIDERATION

1. Firms may submit proposals to serve as bond counsel, as disclosure counsel, or both. HOWEVER, THE ATTORNEY GENERAL WILL NOT SELECT THE SAME FIRM TO SERVE AS BOND COUNSEL AND DISCLOSURE COUNSEL FOR THESE APPOINTMENTS. Therefore, firms should not submit any information for fees or other matters "if our firm is selected as both bond counsel and disclosure counsel", since that is not an option.

2. For the past several years, the State's financial advisor has prepared the first draft of the preliminary official statement ("POS") for all bond issues. However, the State has issued general obligation bonds and lease revenue bonds at least once a year for over twenty years, so the official statement ("OS") for general obligation bonds and the OS for lease revenue bonds issued by the State are only a year old at most. In the past, while it has obviously been necessary to change the description of the bonds in the prior year's OS to provide details of the bonds to be issued, and charts have needed to be updated, few changes have been needed to be made to much of the prior year's OS, such as those parts that describe the government of the State, its budgeting and appropriations processes, and its revenue sources. Thus it is expected that even if the financial advisor selected does not prepare the first draft of the POS, disclosure counsel will not need to prepare the POS and OS from scratch.

A copy of the entire OS for the "\$75,000,000 State of Utah General Obligation Bonds, Series 2007," which is the most recent OS for general obligation bonds issued by the SBC, may be accessed on the internet at www.utmuni.com.

3. Should a key attorney in a firm leave that firm during the period of the firm's appointment under this RFP, the Attorney General reserves the right, in his sole discretion, (a) to have the appointment follow the attorney to the attorney's new firm, (b) to leave the appointment with the firm originally appointed, or (c) to appoint a new firm to fill the appointment for the remainder of the period.

DEADLINE FOR SUBMITTING PROPOSALS

Written proposals must be received by the Utah Attorney General, c/o Bryce H. Pettey, Assistant Attorney General, 160 East 300 South, Fifth Floor, P. O. Box 140874, Salt Lake City, UT 84114-0874, **no later than 12:00 p.m. (Noon) on Friday, January 18, 2008**. The Attorney General reserves the right to accept or reject any or all proposals received after the due date, to accept or reject any or all proposals or any or all parts of a proposal, to waive minor defects or technicalities, and to request new proposals.

THE SELECTION PROCESS

In General

The Attorney General will select bond counsel and disclosure counsel based upon each of the criteria set forth above under the respective headings of "**REQUIRED CONTENTS OF PROPOSALS FOR BOND COUNSEL**" and "**REQUIRED CONTENTS OF PROPOSALS FOR DISCLOSURE COUNSEL**". All criteria set forth under those headings are important, but the criteria in paragraph A under each heading will be given the greatest weight. Each of the subparagraphs of each paragraph A will be given equal weight, and the subparagraphs will be evaluated in the order they appear in each paragraph A.

A firm must first be determined to be qualified under paragraph A to perform the services described for bond counsel or disclosure counsel. After passing that threshold, the factors in paragraphs B and C will be considered. The lowest proposed fees will be an important factor in selecting bond counsel and disclosure counsel, but other factors will also be considered, and the firm submitting the lowest proposed fee will not necessarily be the firm that is selected.

The Attorney General may seek input from appropriate State officials and from prior issuers who have had experience with firms submitting proposals. Such input may be considered by the Attorney General in making the selection.

Oral Presentations

After reviewing the written proposals, the Attorney General may select bond counsel, disclosure counsel, or both at that time; however, the Attorney General reserves the option of selecting several of the top applicants for bond counsel and several of the top applicants for disclosure counsel (selected on the basis of the written proposals) to make oral presentations to

supplement the information in the written proposals. The Attorney General will decide whether oral presentations are needed or desirable, based upon factors brought to the Attorney General's attention by the Attorney General's staff and other State officials, the amount of time available to hear such presentations, and the Attorney General's own schedule. The Attorney General may choose to have those oral presentations made to a panel of persons of the Attorney General's own choosing; if so, the Attorney General may or may not be a member of that panel. Information in those oral presentations, and any recommendations from a panel or panel members, may be considered by the Attorney General, along with the information in the written proposals, in making the final selection of bond counsel and disclosure counsel.

If the Attorney General decides oral presentations are needed or desirable, the firms selected after initial review of the written proposals will be contacted by the Attorney General's office, and arrangements will be made to have the firms make their oral presentations. After these presentations, the Attorney General will select bond counsel and disclosure counsel.

NOTICE OF SELECTION

After the Attorney General has selected the firms, the selected firms will be notified. If a firm the Attorney General has selected is unable or unwilling to accept the appointment, the Attorney General will select another firm based upon the same criteria used to select the first firm. After firms have been selected that are willing to, and do, accept the appointments under this RFP for bond counsel and disclosure counsel, a general announcement will be made to the public. It is anticipated bond counsel and disclosure counsel will be named no later than Friday, January 25, 2008. Interested persons can learn the name of the firm appointed by calling (801) 366-0375 on Friday, February 1, 2008.

NON-DISCLOSURE OF REASONS FOR SELECTING FIRM APPOINTED AND OF INFORMATION IN PROPOSALS; POSSIBLE REQUIREMENT TO DISCLOSE

Administrative Rule R105-1 provides that the reasons for selecting the firms that are appointed will not be made available to anyone. However, like all other State agencies, the Attorney General's office is subject to the Government Records Access and Management Act ("GRAMA") (Chapter 2, Title 63, Utah Code Ann. (West 2004 & Supp. 2007)). GRAMA makes most documents held by government entities in the state "public records," as defined in GRAMA. It is not yet clear just what effect GRAMA has upon proposals submitted in response to an RFP, such as this one. The Attorney General's office continues to analyze GRAMA for its effect on all written documents received by the Attorney General's office, including proposals received in response to an RFP, but all persons submitting proposals are on notice that the Attorney General may not be able to keep the information in the proposals confidential. **A firm desiring to protect the confidentiality of all or part of the contents of its proposal may wish to consider the applicability of Utah Code Ann. § 63-2-308 (West Supp. 2007).**

FURTHER INFORMATION

Questions relating to the business aspects of general obligation bonds to be issued under this RFP should be referred to Edward T. Alter, State Treasurer (801-538-1042), or to Carl F. Empey, Managing Director, Zions Bank Public Finance (the State's financial advisor) (801-844-7373). Firms should feel free – and indeed are encouraged – to contact Mr. Alter or Mr. Empey directly with any questions they may have regarding the business aspects of the issuance of general obligation bonds by the SBOA. There is no need for a firm to contact the Attorney General's office first before making inquiry of Mr. Alter or Mr. Empey. Questions relating to this RFP, or relating to the Attorney General's process of selecting bond counsel and disclosure counsel under this RFP, should be referred to Bryce H. Pettey, Assistant Attorney General (telephone (801-366-0375), facsimile (801-366-0378), e-mail (bpettey@utah.gov)).